



## ***Mishawaka Utilities***

### ***Retirement System***

### ***Plan Benefits Summary***

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*This Summary is an overview of benefits available under the Mishawaka Utilities Retirement System. Although every effort has been made to provide information that is accurate and complete, the actual Plan Document is the definitive legal document. Should there be any inconsistency between this Summary and the Plan Document, the provisions of the Plan Document will control. A copy of the Plan Document is available for review in each Mishawaka Utilities office location and is posted on each location's network file server.*

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**PARTICIPATION:**

1 year of employment

**ELIGIBILITY FOR BENEFITS:**

**Early Retirement**

Age 60 and 15 years of credited service

**Normal Retirement**

30 years of credited service or age 65, whichever is earlier

**Late Retirement**

Date of actual retirement for employees working beyond normal retirement date

**Disability**

10 years of credited service and permanent disability as determined for purposes of receiving disability payments under the Federal Social Security Act

**Termination/Vested Benefit**

1 year of service (or 6 years if hired after 10/3/88)

**Death**

See below for an explanation of death benefits

**AMOUNT OF BENEFITS:**

**Early Retirement**

The accrued retirement benefit as of the early retirement date, payable commencing at normal retirement age. Or, participant may receive benefits prior to normal retirement age (upon satisfaction of early retirement requirements) in a reduced monthly amount (calculated at a 3% reduction per year prior to normal retirement age)

**Normal Retirement**

The standard retirement benefit is payable monthly for a period certain of 5 years and life thereafter, equal to 1.5% of monthly plan compensation multiplied by years of credited service, plus \$120

**Alternative Benefit Options**

(Actuarially equivalent amounts for different forms of benefits determined by actuarial tables which take into account age of participant, spouse's age, etc.)

1. Life only annuity with an increased monthly amount payable for participant's lifetime, with no guaranteed number of payments and no continuation to a beneficiary after death

2. Reduced monthly amount payable for participant's lifetime, with 50%, 66 2/3%,

or 100% continuing to designated beneficiary for his/her lifetime after participant's death  
3. Reduced monthly amount payable for a period certain of 10, 15, or 20 years and life thereafter

**Late Retirement**

The normal retirement benefit based on monthly plan compensation and credited service as of the late retirement date and payable beginning at late retirement

**Disability Retirement**

50% of normal retirement benefit based on service that would have been completed as of normal retirement date and based on monthly plan compensation as of disability retirement date

**Termination/Vested Benefit**

A vested terminated participant not eligible for death, disability, or retirement benefits may choose benefits under either item 1 or 2 below:

**1. DEFERRED** The accrued retirement benefit as of the termination date, multiplied by the vested percentage, payable at normal retirement date or a reduced amount at early retirement date. The vested percentage is based on the following table:

<u>Service</u>	<u>Vested Percentage</u>
less than 10 years	0%
10 years	50%
11 years	60%
12 years	70%
13 years	80%
14 years	90%
15 or more years	100%

**2. LUMP SUM** In lieu of the deferred payment election above, a terminated participant may elect a lump sum amount equal to 5% of the employee's highest annual compensation, multiplied by credited service. If hired on or after 10/3/88, the following vesting schedule applies:

<u>Service</u>	<u>Vested Percentage</u>
less than 6 years	0%
6 years	20%
7 years	40%
8 years	60%
9 years	80%
10 years	100%

## **Death Benefits**

- A participant who dies while still employed  
5% of highest annual compensation multiplied by credited service
- Spousal Death Benefit  
(for an employee who has satisfied the requirements for Early, Normal or Late Retirement Benefits and dies before terminating employment or after termination of employment but before electing in writing a form of benefit payment)  
Spouse can choose the 5% of compensation times credited service death benefit above or a 50% survivor annuity based on the Retirement Benefit earned by the deceased participant as of the date of death.  
(Note: If spouse has consented in writing prior to death to waive the 50% survivor annuity option and has consented to naming another person as primary or co-primary beneficiaries, the 5% death benefit mentioned above would be paid to the primary beneficiaries with no 50% survivor annuity benefit to the spouse.)
- Other  
No death benefit is payable to a participant who dies after termination of employment with a deferred vested termination benefit that is not yet in pay status; however, a beneficiary of such a participant is entitled to receive any contributions made by the participant to the pension fund with interest at 5% compounded annually thereon.